# GOVERNMENT OF INDIA
# POWER
# LOK SABHA

UNSTARRED QUESTION NO:701
ANSWERED ON:22.11.2001
DABHOL POWER PROJECT TRANSFER NOTICE TO MSEB
PRAKASH V. PATIL

**Will the Minister of POWER be pleased to state:**

(a) whether Dabhol Power Project (DPP) has served asset transfer notice to Maharashtra State Electricity Board (MSEB);

(b) if so, the details thereof;

(c) whether it is going to be final termination of power purchase agreement as a result of the notice; and

(d) if so, the role, the Union Government is contemplating to play?

## Answer

THE MINISTER OF STATE IN THE MINISTRY OF POWER ( SHRIMATI JAYAWANTI MEHTA )

(a) : Yes, Sir.

(b) : Dabhol Power Company (DPC) has served a Transfer Notice on 5th November, 2001 to the Maharashtra State Electricity Board (MSEB) in accordance with paragraph 2.2(a) of Schedule 11 of the Power Purchase Agreement (PPA) in which they have stipulated that the Operating Assets to be transferred to MSEB in accordance with Schedule 11 of the PPA will include the LNG facility. It has also been mentioned in the Notice by DPC that they reserve their rights to serve on MSEB additional Transfer Notices in accordance with the relevant provisions of the PPA. Earlier, on 19th May, 2001, DPC had served Preliminary Termination Notice on the MSEB.

(c) : The Industrial Development Bank of India (IDBI) has filed Notice of Motion in the Mumbai High Court against DPC on which the High Court has given the ruling that DPC is restrained from taking any action in furtherance of the Preliminary Termination Notice.

(d) : The Government of India (GOI) is not a signatory to the PPA, which has been signed between DPC and MSEB. However, GOI have agreed to facilitate an amicable solution to the various issues presently surrounding the Dabhol Power Project.